

TO OUR DIRECT CUSTOMERS:

SUBJECT: FAMOUS VALUE BRANDS - PRIVATE LABEL PRICE INCREASE

EFFECTIVE WITH SHIPMENTS OF MARCH 15, 1993, WE ARE ADJUSTING OUR LIST PRICES OF FAMOUS VALUE BRANDS AS FOLLOWS:

BRAND -----	INCREASE AMOUNT -----
ALL AMERICAN VALUE & PRIVATE LABEL	\$2.50 PER M

EXISTING TERMS AND CONDITIONS REMAIN UNCHANGED.

ALL ORDERS RECEIVED IN OUR RICHMOND, VIRGINIA, OFFICE AFTER 2:30 P.M. EASTERN STANDARD TIME ON THURSDAY, MARCH 11, 1993, AS WELL AS ORDERS ON HAND AT SUCH TIME, INCLUDING STANDING ORDERS AND THOSE ORDERS HELD BY US FOR FUTURE SHIPMENT, WILL BE BILLED AT THE NEW PRICES.

ALL ORDERS ARE SUBJECT TO ACCEPTANCE BY OUR RICHMOND OFFICE AND TO STANDARD TERMS AND CONDITIONS OF SALE, PRICES, STYLES AND SIZES IN EFFECT ON DATE OF SHIPMENT, EXCEPT AS MODIFIED BY THIS MAILGRAM.

DIRECT REBATE PAYMENT  
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AS SOON AS PRACTICABLE AFTER MARCH 15, 1993, WE WILL ISSUE TO YOU A CREDIT MEMO FOR THE DIFFERENCE BETWEEN THE NEW AND OLD PRICES, LESS ANY APPLICABLE CASH DISCOUNT RATE, FOR TWO WEEKS' AVERAGE PURCHASES BASED ON SHIPMENTS TO YOU DURING THE PERIOD NOVEMBER 2, 1992 - JANUARY 29, 1993.

SHIPMENT LIMITATIONS  
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EFFECTIVE WITH SHIPMENTS OF MONDAY, MARCH 15, 1993, ALL AMERICAN VALUE AND PRIVATE LABEL BRANDS WILL BE LIMITED TO 125% OF AN AVERAGE WEEK'S SHIPMENTS BY BRAND AND PACKING.

ELECTRONIC PAYMENT PROGRAM (EPP) PARTICIPANTS  
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PLEASE CONSULT YOUR PROGRAM MATERIAL OR OUR EPP REPRESENTATIVE AT OUR EPP TOLL-FREE NUMBER IF YOU HAVE ANY QUESTIONS REGARDING EPP AS IT RELATES TO THIS PRICE ANNOUNCEMENT.

FAMOUS VALUE BRANDS IS NOT RESPONSIBLE FOR ANY ERRORS IN THIS COMMUNICATION WHICH MAY OCCUR DURING THE TRANSMISSION PROCESS.

FAMOUS VALUE BRANDS RESERVES THE RIGHT TO DISCONTINUE OR AMEND THIS PROGRAM AT ANY TIME WITH OR WITHOUT NOTICE.

THANK YOU FOR YOUR CONTINUED SUPPORT AND COOPERATION.

FAMOUS VALUE BRANDS  
A DIVISION OF PHILIP MORRIS INCORPORATED

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